

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Hamlin Township	County Eaton
Fiscal Year End 3/31/06	Opinion Date 5/17/06	Date Audit Report Submitted to State 6/16/06	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES  
NO

**Check each applicable box below.** (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

<b>We have enclosed the following:</b>	Enclosed	Not Required (enter a brief justification)		
Financial Statements	<input checked="" type="checkbox"/>			
The letter of Comments and Recommendations	<input type="checkbox"/>	No letter issued - none		
Other (Describe)	<input type="checkbox"/>	Not applicable		
Certified Public Accountant (Firm Name) Robertson & Carpenter CPAs P.C.		Telephone Number 989-826-5442		
Street Address P.O. Box 308		City Mlo	State MI	Zip 48647
Authorizing CPA Signature		Printed Name Robert J. Carpenter		License Number 1101008247

**Hamlin Township  
Eaton County, Michigan  
Financial Report  
With Supplemental Information  
March 31, 2006**

Hamlin Township

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# ROBERTSON & CARPENTER CPAs, P.C.

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Rodney C. Robertson, CPA

Robert J. Carpenter, CPA

## INDEPENDENT AUDITOR'S REPORT

Township Board  
Hamlin Township  
Eaton County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hamlin Township as of and for the year ended March 31, 2006, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Hamlin Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Hamlin Township as of March 31, 2006, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on page 2 through page 7 and pages 21-22 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Robertson & Carpenter P.C.  
Certified Public Accountants  
May 17, 2006

## Management's Discussion and Analysis

As management of Hamlin Township (the "Township"), we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2006.

### Financial Highlights

- The assets of the Township exceeded its liabilities at the close of the most recent fiscal year by \$857,603 (*net assets*). Of this amount, \$209,214 (*unrestricted net assets*) may be used to meet the Township's ongoing obligations
- The Township's total net assets increased by \$94,737.
- As of the close of the current fiscal year, the Township's general fund, reported an ending fund balance of \$609,227, an increase of \$408,340 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$600,917 or 151% percent of total general fund expenditures.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements consist of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *Government-wide financial statements* are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Township's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The *statement of activities* presents information showing how the Township's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the Government-wide financial statements present functions of the Township that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the Township include general government, public safety, public works, culture and recreation, and other. The Township does not have any business-type activities as of and for the year ended March 31, 2006.

The Government-wide financial statements can be found on pages 8-9 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township can be divided into two categories: governmental funds and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the Government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a Township's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the Government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Township maintains three governmental funds. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Fire, and Cemetery Funds.

The Township adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements or schedules have been provided for the governmental funds herein to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 10-11 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Township. Fiduciary funds are *not* reflected in the Government-wide financial statements because the resources of those funds are *not* available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 12 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13-20 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets exceeded its liabilities by \$857,603 at the close of the most recent fiscal year.

A portion of the Township's net assets (75%) reflects its investment in capital assets (e.g., land, land improvements, buildings, and equipment); less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to the community; consequently, these assets are *not* available for future spending.

### **Township's Net Assets**

	<b>Governmental</b>	<b>Activities</b>
	<b>March 31, 2006</b>	<b>March 31, 2005</b>
Current and Other Assets	641,583	305,935
Capital Assets, Net	602,748	626,711
<b>Total Assets</b>	<b>1,244,331</b>	<b>932,646</b>
Current Liabilities	102,414	30,674
Long Term Liabilities	284,314	138,906
<b>Total Liabilities</b>	<b>386,728</b>	<b>169,580</b>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	640,079	469,785
Restricted for Metro Act	8,310	4,526
Unrestricted	209,214	288,755
<b>Total Net Assets</b>	<b>857,603</b>	<b>763,066</b>

The Township's net assets increased by \$94,737 during the current fiscal year. Unrestricted net assets—the part of net assets that can be used to finance day to day operations, decreased by (\$79,541) or 28%, during fiscal year 2006.

### Township's Changes in Net Assets

	<u>Governmental</u> March 31, 2006	<u>Activities</u> March 31, 2005
<b>Revenue:</b>		
Program Revenue:		
Charges for services	56,132	47,887
Operating Grants and Contributions	-0-	-0-
General Revenue:		
Property Taxes	158,338	145,163
State-Shared Revenues	206,556	204,696
Interest and Rent Earnings	906	935
Other	8,635	13,635
<b>Total Revenue</b>	<b>430,567</b>	<b>412,316</b>
<b>Expenses:</b>		
General Government	155,279	150,541
Public Safety	145,673	140,361
Public Works	12,494	12,032
Culture and Recreation	3,316	1,167
Interest on Long Term Debt	19,068	8,681
<b>Total Expenses</b>	<b>335,830</b>	<b>312,782</b>
<b>Increase in Net Assets</b>	<b>94,737</b>	<b>99,534</b>
Net Assets, Beginning of Year	763,066	663,532
<b>Net Assets, End of Year</b>	<b>857,803</b>	<b>763,066</b>

**Governmental activities.** The Township's total governmental revenues increased by \$18,251 from last fiscal year. This was primarily attributed to additional revenue from property taxes. Expenses increased by \$97,411. The increase was primarily due to increased Debt Service expenses.

### Financial Analysis of the Government's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.



As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of \$635,078, an increase of \$341,797 in comparison with the prior year. The *undesignated fund balance*, which is available for spending at the Township's discretion, constitutes 32% of this total amount or \$200,225.

The primary governmental fund is the General Fund of the Township. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 45% and total fund balance represents 156% of total general fund expenditures.

The fund balance of the General Fund increased by \$408,340 during the current fiscal year.

The Fire Fund was established during the year ended March 31, 2005. A .9847 mill property tax was levied for the year ending March 31, 2006. The property tax generated \$76,794 and \$83,160 of revenue for the years ended 2005 and 2006 respectively. The Fire Fund transferred \$152,000 to the General Fund for the purchase of equipment and debt service expense for the 2006 year.

### **Governmental Funds Budgetary Highlights**

The Township's budgets are prepared in accordance with Michigan Law. The budgeted funds are the General, Fire and Cemetery Funds. Each of the budgeted funds was amended during the year.

### **Capital Asset and Debt Administration**

**Capital assets.** The Township's investment in capital assets for its governmental activities as of March 31, 2006, amounted to \$602,748 (net of accumulated depreciation). Investment in capital assets includes land, land improvements, buildings, and equipment. Additions totaled \$2,467 for the fiscal year.

#### **Township's Capital Assets** (net of depreciation)

	<u>March 31, 2006</u>	<u>March 31, 2005</u>
Land	144,361	144,361
Land Improvements	32,689	33,880
Buildings	282,939	288,737
Equipment – Fire Department	129,687	144,350
Furniture and Equipment	13,072	15,383
<b>Total</b>	<b><u>602,748</u></b>	<b><u>626,711</u></b>

Additional information on the Township's capital assets can be found in note 5 on page 18 of this report.

## **Factors Bearing on the Township's Future**

The following factors were considered in preparing the Township's budget for the 2004-2005 fiscal year:

- The State of Michigan has made significant cuts in their operating budgets due to a downturn in the economy. The Township did receive more in State Shared Revenues this year than the prior fiscal year, however, the increase was less than expected based on previous history. For 2005-2006, the Township received \$202,170 in state shared revenue, representing 60% of the revenues in the General Fund. The Township only expects to receive a slight increase in State Shared Revenue in the future. Our budgets were prepared with these factors in mind and will need to be revised as needed.

## **Requests for Information**

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Hamlin Township  
6463 South Clinton Trail  
Eaton Rapids, Michigan 48827

## **Basic Financial Statements**

Hamlin Township  
Statement of Net Assets  
March 31, 2006

	Governmental Activities
<b>Assets</b>	
Cash and cash equivalents (Note 3)	\$ 170,319
Receivables: (Note 4)	
Other	287
Intergovernmental	49,185
Due from Fiduciary Fund	4,238
Deposit on equipment	417,554
Capital assets-net (Note 5)	<u>602,748</u>
Total assets	<u>1,244,331</u>
<b>Liabilities</b>	
Current Liabilities:	
Accounts payable	6,429
Deferred revenue	76
Installment loan payable (due within one year) (Note 8)	18,964
Capitalized lease payable (due within one year) (Note 8)	<u>76,945</u>
Total current liabilities	<u>102,414</u>
Noncurrent Liabilities:	
Installment loan payable (Note 8)	120,057
Capitalized lease payable (Note 8)	<u>164,257</u>
Total noncurrent liabilities	<u>284,314</u>
Total liabilities	<u>386,728</u>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	640,079
Restricted for Metro Act	8,310
Unrestricted	<u>209,214</u>
Total net assets	<u>\$ 857,603</u>

See accompanying notes to financial statements.

Hamlin Township  
Statement of Activities  
Year Ended March 31, 2006

Functions/Programs	Expenses	Program Revenues		Governmental Activities
		Charges for Services	Operating Grants	Net (Expense) Revenue and Changes in Net Assets
<b>Governmental Activities</b>				
General government	\$ 155,279	\$ 46,232	\$ -	\$ (109,047)
Public safety	145,673	9,900	-	(135,773)
Public works	12,494	-	-	(12,494)
Culture and recreation	3,316	-	-	(3,316)
Other	-	-	-	-
Interest on long term debt	19,068	-	-	(19,068)
Total governmental activities	<u>\$ 335,830</u>	<u>\$ 56,132</u>	<u>\$ -</u>	<u>(279,698)</u>
<b>General Revenues:</b>				
Property taxes - operating				75,178
Property taxes - fire				83,160
State-shared revenues				206,556
Interest and investment earnings				906
Other				8,635
Total general revenues				<u>374,435</u>
<b>Change in Net Assets</b>				<u>94,737</u>
<b>Net assets</b> - beginning of year				<u>763,066</u>
<b>Net assets</b> - end of year				<u><u>\$ 857,803</u></u>
<b>Amounts reported for governmental activities are different because:</b>				
<b>Net Change in Fund Balances - Total Governmental Funds</b>				\$ 341,797
Government funds report capital outlays as expenditures; in the statement of activities these costs are allocated over their estimated useful lives as depreciation.				
Depreciation expense		\$ (26,430)		
Capital outlay		<u>2,467</u>		
				(23,963)
Capitalized lease proceeds is income in the governmental funds , but not in the statement of activities (where it increases long term debt)				
				(317,554)
Repayments of installment loan payable principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long term debt)				
				<u>94,457</u>
<b>Change in Net Assets of Governmental Activities</b>				<u><u>\$ 94,737</u></u>

See accompanying notes to financial statements.

Hamlin Township  
Governmental Funds  
Balance Sheet  
March 31, 2006

	General Fund	Fire Fund	Nonmajor Cemetery Fund	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 151,808	\$ 855	\$ 17,656	\$ 170,319
Accounts receivable	177	110	-	287
Due from other funds	4,238	-	139	4,377
Due from other governmental units	42,077	7,108	-	49,185
Deposit on equipment	417,554	-	-	417,554
<b>Total assets</b>	<b><u>\$ 615,854</u></b>	<b><u>\$ 8,073</u></b>	<b><u>\$ 17,795</u></b>	<b><u>\$ 641,722</u></b>
<b>Liabilities</b>				
Accounts payable	\$ 6,429	\$ -	\$ -	\$ 6,429
Due to other funds	139	-	-	139
Due to other governments	-	-	-	-
Deferred revenue	59	17	-	76
<b>Total liabilities</b>	<b><u>6,627</u></b>	<b><u>17</u></b>	<b><u>-</u></b>	<b><u>6,644</u></b>
<b>Fund balances</b>				
Reserved:				
Metro Act	8,310	-	-	8,310
Unreserved:				
Designated:				
Fire equipment	426,543	-	-	426,543
Undesignated:				
General Fund	174,374	-	-	174,374
Special Revenue Funds	-	8,056	17,795	25,851
<b>Total fund balances</b>	<b><u>609,227</u></b>	<b><u>8,056</u></b>	<b><u>17,795</u></b>	<b><u>635,078</u></b>
 <b>Total liabilities and fund balances</b>	 <b><u>\$ 615,854</u></b>	 <b><u>\$ 8,073</u></b>	 <b><u>\$ 17,795</u></b>	 <b><u>\$ 641,722</u></b>

**Amounts reported for governmental activities in the statement of net assets are different because:**

<b>Fund Balances - Total Governmental Funds</b>	<b>\$ 635,078</b>
Elimination of due to and due from governmental funds	
Due to	139
Due from	(139)
Capital assets used in governmental activities are not financial resources, and are not reported in the funds.	
The cost of capital assets is	837,973
Accumulated depreciation is	(235,225)
Long term liabilities are not due and payable in the current period and are not reported in the fund statements	
Installment loan payable	(139,021)
Capitalized lease payable	(241,002)
 <b>Net Assets of Governmental Activities</b>	 <b><u>\$ 857,803</u></b>

See accompanying notes to financial statements.

Hamlin Township  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended March 31, 2006

	General Fund	Fire Fund	Nonmajor Cemetery Fund	Total Governmental Funds
<b>Revenues</b>				
Taxes and penalties	\$ 100,250	\$ 83,160	\$ -	\$ 183,410
Licenses and permits	1,578	-	-	1,578
State grants	206,556	-	-	206,556
Charges for services	19,582	-	9,900	29,482
Interest and rentals	608	99	199	906
Other revenue	8,635	-	-	8,635
Total revenues	<u>337,209</u>	<u>83,259</u>	<u>10,099</u>	<u>430,567</u>
<b>Expenditures</b>				
Current:				
General government	126,611	-	16,901	143,512
Public safety	131,010	-	-	131,010
Public works	12,494	-	-	12,494
Culture and recreation	3,316	-	-	3,316
Capital outlay	2,467	-	-	2,467
Debt service	113,525	-	-	113,525
Total expenditures	<u>389,423</u>	<u>-</u>	<u>16,901</u>	<u>406,324</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	(52,214)	83,259	(6,802)	24,243
<b>Other Financing Sources (Uses)</b>				
Capitalized lease proceeds	317,554	-	-	317,554
Operating transfers in	152,000	-	9,000	161,000
Operating transfers (out)	(9,000)	(152,000)	-	(161,000)
Total other financing sources (uses)	<u>460,554</u>	<u>(152,000)</u>	<u>9,000</u>	<u>317,554</u>
<b>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	408,340	(68,741)	2,198	341,797
<b>Fund balance - April 1, 2005</b>	<u>200,887</u>	<u>76,797</u>	<u>15,597</u>	<u>293,281</u>
<b>Fund balance - March 31, 2006</b>	<u>\$ 609,227</u>	<u>\$ 8,056</u>	<u>\$ 17,795</u>	<u>\$ 635,078</u>

See accompanying notes to financial statements.

Hamlin Township  
Fiduciary Funds  
Statement of Net Assets  
March 31, 2006

	Agency Fund Type (Property Tax Collection Fund)
<b>Assets</b>	
Cash	\$ 4,273
Due from other funds	<u>-</u>
Total assets	\$ <u><u>4,273</u></u>
 <b>Liabilities</b>	
Due to other funds	\$ 4,238
Due to other governments	<u>35</u>
Total liabilities	<u>4,273</u>
 <b>Net Assets</b>	\$ <u><u>-</u></u>

See accompanying notes to financial statements.



**Note 1 - Summary of Significant Accounting Policies**

The accounting policies of Hamlin Township ("the Township") conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the more significant policies used by the Township:

**Reporting Entity**

The Township is governed by an elected five member Township Board. The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board (GASB) for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational financial relationships that determine which of the governmental organizations are a part of the Township's reporting entity, and which organizations are legally separate, component units of the Township. Based on the application criteria, the Township does not contain any component units.

**Government-wide and Fund Financial Statements**

The Government-side financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the Township. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All the Township's government-wide activities are considered governmental activities. The Township does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a certain function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and severance pay, are recorded only when payment is due.

Property taxes, state-shared revenue and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when the cash is received by the Township.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund.

The Fire Fund is used to record property tax revenue, interest earnings and other revenue restricted for providing fire protection services.

Additionally, the Township reports the following funds:

The Cemetery Fund accounts for amounts received for lot sales, charges for services, and interest earnings that are restricted for use in the Township Cemetery.

The Tax Collection Fund accounts for property taxes collected and disbursed to other taxing authorities by the Township as required by law.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include: (1) charges to customers for goods, services or privileges provided and (2) operating grants and contributions. General revenue includes all taxes.

**Assets, Liabilities, and Net Assets or Equity**

**Bank Deposits and Investments** - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Hamlin Township  
Notes to Financial Statements  
March 31, 2006

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Receivables and Payables** - In general, outstanding balances between funds are reported as "due to/from other funds." Activity between fund that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds."

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. The taxpayers of the Township have their properties assessed as of December 31 and the related property taxes are levied and become a lien on December 1 for 100% of the taxes which are due February 28. The 2005 taxable value of the Township was \$84,454,209. The 2005 tax levy was .8767 mills for general operating purposes raising \$74,040 for general operating purposes and .9847 mills for fire protection raising 83,162 for fire protection purposes.

**Capital Assets** - Capital assets, which include land, buildings, equipment, and infrastructure assets (e.g., amounts paid to the Road Commission for the intangible right to use the roads), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation. Infrastructure assets acquired prior to implementation of GASB 34 are not included in the financial statements.

Buildings, equipment, and vehicles are depreciated using the straight-line method over the following

Infrastructure	20 years
Land Improvements	20 years
Buildings and additions	20-50 years
Office equipment and furnishings	5-20 years
Other equipment	5-20 years

**Compensated Absences** - There is no liability for compensated absences reported in the government-wide financial statements since no township employees are provided with sick or vacation pay benefits.

**Fund Equity** - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriating or are legally restricted by outside parties for use for a specific purpose. The Township has a reserved fund balance at March 31, 2006 in the amount of \$8,310 that represents unspent money received under the Metro Act. Designations of fund balance represent tentative management plans that are subject to change. The Township has designated fund balance in the operating fund of \$426,543 at March 31, 2006. This amount is designated to be used for future purchases of fire protection equipment.

Hamlin Township  
Notes to Financial Statements  
March 31, 2006

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Comparative Data/Reclassifications - Comparative data is not included in the Township's financial statements.

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted account principles and state laws for the general and special revenue funds. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the Township adopt its budgets by April 1. Expenditures in excess of amounts budgeted is a violation of Michigan Law. State law permits Townships to amend its budget during the year.

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until the receipt of materials or services. For budgetary purposes, appropriations lapse at fiscal year end and outstanding

**Note 2 - Stewardship, Compliance and Accountability**

**Excess of expenditures over appropriations in budgeted funds:**

The Township incurred expenditures in excess of amounts budgeted as follows:

<u>Fund and Function</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Variance</u>
General:			
Public works	\$ 5,000	\$ 12,494	\$ 7,494
Debt service	25,850	113,525	87,675
Fire:			
Transfers to other funds	140,888	152,000	11,112
			-

Hamlin Township  
Notes to Financial Statements  
March 31, 2006

**Note 3 - Deposits and Investments**

Michigan Compiled Laws, Section 129.91 authorizes the Township to make deposits and investments in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The Township is also allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Township Board has designated one bank for the deposit of Township funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investments in accordance with State statutory authority as listed above.

Hamlin Township's deposits and investment policy are in accordance with statutory authority.

Hamlin Township has not updated its investment policy to conform to GASB #40.

At year-end, Hamlin Township's deposits and investments were reported in the basic financial statements in the following categories:

	Governmental Activities	Fiduciary Funds	Township Total
Cash and cash equivalents	\$ 170,319	\$ 4,273	\$ 174,592
Investments	-	-	-
Total	<u>\$ 170,319</u>	<u>\$ 4,273</u>	<u>\$ 174,592</u>

The breakdown between deposits and investments for the Township is as follows:

Deposits (checking, savings and CDs)	\$ 174,592
Investments	-
	<u>\$ 174,592</u>

The deposits of the Township were reflected in the accounts of one financial institution, of which \$109,335 is covered by federal depository insurance.

Hamlin Township  
Notes to Financial Statements  
March 31, 2006

**Note 4 - Receivables**

Receivables as of year-end for the Township's major funds and fiduciary funds in the aggregate, including applicable allowances of uncollectible accounts are as follows:

	General Fund	Fire Fund	Tax Coll. Fund	Total
Receivables:				
Other	\$ 177	\$ 110	\$ -	\$ 287
Intergovernmental	42,077	7,108	-	49,185
	<u>\$ 42,254</u>	<u>\$ 7,218</u>	<u>\$ -</u>	<u>\$ 49,472</u>

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the Township had deferred revenue at March 31, 2006 as follows: General Fund \$59 composed entirely of property taxes; Fire Fund \$181 for property taxes.

**Note 5 - Capital Assets**

Capital assets activity of the Township's Governmental activities were as follows:

	Balance April 1, 2005	Additions	Deletions	Balance March 31, 2006
Capital assets not being depreciated:				
Land	\$ 144,361	\$ -	\$ -	\$ 144,361
Capital assets being depreciated:				
Land improvements	45,167	1,072	-	46,239
Buildings	340,367	1,395	-	341,762
Equipment - Fire Department	278,070	-	-	278,070
Furniture & equipment	27,541	-	-	27,541
Subtotal	<u>691,145</u>	<u>2,467</u>	<u>-</u>	<u>693,612</u>
Accumulated Depreciation				
Land improvements	11,287	2,263	-	13,550
Buildings	51,630	7,193	-	58,823
Equipment - Fire Department	133,720	14,663	-	148,383
Furniture & equipment	12,158	2,311	-	14,469
Subtotal	<u>208,795</u>	<u>26,430</u>	<u>-</u>	<u>235,225</u>
Net capital assets being depreciated	<u>482,350</u>	<u>(23,963)</u>	<u>-</u>	<u>458,387</u>
Governmental Activities				
Total Capital Assets net of Depreciation	<u>\$ 626,711</u>	<u>\$ (23,963)</u>	<u>\$ -</u>	<u>\$ 602,748</u>

Hamlin Township  
Notes to Financial Statements  
March 31, 2006

**Note 5 - Capital Assets (Continued)**

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:		
General government	\$	11,767
Public safety		14,663
Total governmental activities	\$	<u>26,430</u>

**Note 6 - Receivables, Payables and Transfers**

The composition of interfund balances is as follows:

<u>Receivable Fund</u>		<u>Payable Fund</u>	Amount
General Fund	\$ 4,238	Fiduciary Fund	\$ <u>4,238</u>
Total	\$ <u>4,238</u>	Total	\$ <u>4,238</u>
<u>Transfers In</u>		<u>Transfers Out</u>	
Cemetery Fund	\$ 9,000	General Fund	\$ 9,000
General Fund	152,000	Fire Fund	152,000
	\$ <u>161,000</u>		\$ <u>161,000</u>

**Note 7 - Risk Management**

Hamlin Township is exposed to various risks of loss related to theft of , damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by insurance purchased from independent insurance companies. Settled claims from these risks have not exceeded insurance coverage for the last three years.

**Note 8 - Pension Plan**

The Township has a defined contribution retirement plan (Simple IRA) that covers any employee that earns \$400 or more in a calendar year. Employees may voluntarily contribute up to \$8,000 of their annual wage. The Township will match the employees contribution up to 3% of the employee's compensation. The plan is administered by Capital Bank and Trust Co.. All contributions to the plan are 100% vested.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account.

The Township's total payroll for the year ended March 31, 2006 was approximately \$118,138. The Township made the required contribution of \$1,884.

No pension provision changes occurred during the year that affected the required contributions to be made by the Township . The plan held no securities of the Township or other related parties during the year or at the close of the fiscal year.

Hamlin Township  
Notes to Financial Statements  
March 31, 2006

**Note 8 - Long Term Debt**

The general obligation long term debt consists of the following items:

Description	Purpose	Original Amount and Payment Terms	Interest Rate	Balance Due March 31, 2006
Installment loan - Independent Bank	Building addition	Original amount - \$192,808, monthly payments of \$2,140 commencing 2/15/03	5.15%	\$ 139,021
Capitalized lease - Sun Trust Bank	2 Fire trucks	Original amount - \$317,554, annual payments of \$87,845 commencing 3/15/06	4.61%	241,002
				<u>\$ 380,023</u>

Changes in long term debt during the year ended March 31, 2006 are as follows:

	Installment Loan Payable	Capitalized Lease Payable
Balance April 1, 2005	\$ 156,926	\$ -
New borrowing	-	317,554
Principal paid	(17,905)	(76,552)
Balance March 31, 2006	<u>\$ 139,021</u>	<u>\$ 241,002</u>

Total debt payments due in future years are shown below:

Year Ending	Installment Loan		Capitalized Lease		Total
	Interest	Principal	Interest	Principal	
March 31, 2007	\$ 6,716	\$ 18,964	\$ 11,099	\$ 76,945	\$ 113,724
March 31, 2008	5,716	19,964	7,565	80,280	113,525
March 31, 2009	4,663	21,017	3,867	83,977	113,524
March 31, 2010	3,555	22,125	-	-	25,680
March 31, 2011	2,388	23,292	-	-	25,680
March 31, 2012-2013	1,266	33,659	-	-	34,925
Total	<u>\$ 24,304</u>	<u>\$ 139,021</u>	<u>\$ 22,531</u>	<u>\$ 241,202</u>	<u>\$ 427,058</u>

**Note 9 - Deposit**

Hamlin Township entered into a contract for the building of two fire trucks. The price of the two trucks totals \$417,554. The trucks have been paid for at March 31, 2006, but had not been delivered to the township. The payment has been shown as a deposit on the financial statements.



## **Required Supplemental Information**

Hamlin Township  
Budgetary Comparison Schedule - General Fund  
Year Ended March 31, 2006

	Budgeted Amounts		Actual	Variance with
	2006	2006	Amounts	Final Budget
	Original	Final	Budgetary	Over (Under)
			Basis	
<b>Fund Balance - Beginning of year</b>	\$ 139,414	\$ 139,414	\$ 200,887	\$ 61,473
<b>Resources (Inflows)</b>				
Taxes and fees	84,450	84,450	100,250	15,800
Licenses and permits	600	600	1,578	978
State grants	200,000	200,000	206,556	6,556
Charges for services	7,750	7,750	19,582	11,832
Interest and rentals	150	150	608	458
Other	-	-	8,635	8,635
Capitalized lease proceeds	-	-	317,554	317,554
Transfers from other funds	-	100,000	152,000	52,000
Amounts available for appropriation	<u>432,364</u>	<u>532,364</u>	<u>1,007,650</u>	<u>44,259</u>
<b>Charges to Appropriations (Outflows)</b>				
General government	147,050	146,550	126,611	(19,939)
Public safety	127,500	227,500	131,010	(96,490)
Public works	14,000	5,000	12,494	7,494
Culture and recreation	1,000	3,400	3,316	(84)
Other	35,000	34,000	-	(34,000)
Capital outlay	4,000	4,000	2,467	(1,533)
Debt service	25,700	25,850	113,525	87,675
Transfers to other funds	16,000	16,000	9,000	(7,000)
Total charges to appropriations	<u>370,250</u>	<u>462,300</u>	<u>398,423</u>	<u>(63,877)</u>
<b>Fund Balance - end of year</b>	\$ <u>62,114</u>	\$ <u>70,064</u>	\$ <u>609,227</u>	\$ <u>108,136</u>

Hamlin Township  
 Budgetary Comparison Schedule - Fire Fund  
 Year Ended March 31, 2006

	Budgeted Amounts		Actual	Variance with
	2006	2006	Amounts	Final Budget
	Original	Final	Budgetary	Over (Under)
			Basis	
<b>Fund Balance - Beginning of year</b>	\$ 69,888	\$ 69,888	\$ 76,797	\$ 6,909
<b>Resources (Inflows)</b>				
Taxes and fees	71,000	71,000	83,160	12,160
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Interest and rentals	-	-	99	99
Other	-	-	-	-
Amounts available for appropriation	<u>140,888</u>	<u>140,888</u>	<u>160,056</u>	<u>19,168</u>
<b>Charges to Appropriations (Outflows)</b>				
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Transfers to other funds	<u>140,888</u>	<u>140,888</u>	<u>152,000</u>	<u>11,112</u>
Total charges to appropriations	<u>140,888</u>	<u>140,888</u>	<u>152,000</u>	<u>11,112</u>
<b>Fund Balance - end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,056</u>	<u>\$ 14,965</u>

## **Supplemental Information**

Hamlin Township  
General Fund  
Statement of Revenues and Other Financing Sources - Budget and Actual  
Year Ended March 31, 2006

	Budget as Amended	Actual	Variance Favorable (Unfavorable)
REVENUE:			
TAXES:			
Property taxes	\$ -	\$ 75,178	\$ -
Property tax administration	-	25,072	-
TOTAL TAXES	<u>84,450</u>	<u>100,250</u>	<u>15,800</u>
LICENSES AND PERMITS:			
Franchise fees	<u>600</u>	<u>1,578</u>	<u>978</u>
STATE GRANTS:			
State shared revenues	-	202,772	-
Metro Act	-	3,784	-
TOTAL STATE GRANTS	<u>200,000</u>	<u>206,556</u>	<u>6,556</u>
CHARGES FOR SERVICES:			
Fees	-	636	-
Dog License fees	-	430	-
Summer tax collection	-	4,478	-
Fire runs	-	14,038	-
TOTAL CHARGES FOR SERVICES	<u>7,750</u>	<u>19,582</u>	<u>11,832</u>
INTEREST AND RENTALS:			
Interest	<u>150</u>	<u>608</u>	<u>458</u>
OTHER REVENUE:			
Reimbursements	-	1,641	-
Donations	-	6,994	-
TOTAL OTHER REVENUE	<u>-</u>	<u>8,635</u>	<u>8,635</u>
TOTAL REVENUES	<u>292,950</u>	<u>337,209</u>	<u>44,259</u>
OTHER FINANCING SOURCES:			
Capitalized lease proceeds	-	317,554	-
Transfers from other funds	<u>100,000</u>	<u>152,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES	<u>100,000</u>	<u>469,554</u>	<u>369,554</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 392,950</u>	<u>\$ 806,763</u>	<u>\$ 413,813</u>

Hamlin Township  
General Fund  
Statement of Expenditures and Other Financing Uses - Budget and Actual  
Year Ended March 31, 2006

	Budget as Amended	Actual	Variance Favorable (Unfavorable)
EXPENDITURES			
GENERAL GOVERNMENT			
Legislative			
Trustee wages	\$ -	\$ 3,060	\$ -
Social security & medicare	-	4,605	-
Pension contribution	-	1,884	-
Office supplies	-	3,917	-
Postage	-	700	-
Audit	-	4,000	-
Legal	-	4,573	-
Professional services	-	2,450	-
Printing & publishing	-	703	-
Memberships & dues	-	1,636	-
Seminars	-	2,232	-
Refunds	-	17	-
Total Legislative	<u>31,200</u>	<u>29,777</u>	<u>1,423</u>
Supervisor			
Salary	-	8,850	-
Mileage	-	133	-
Total Supervisor	<u>9,150</u>	<u>8,983</u>	<u>167</u>
Elections			
Wages	-	-	-
Supplies	-	16	-
Voter machine setup	-	-	-
Mileage	-	-	-
Printing & publishing	-	-	-
Total Elections	<u>2,400</u>	<u>16</u>	<u>2,384</u>
Assessor			
Supplies	-	700	-
Postage	-	1,814	-
Computerizing tax roll	-	2,250	-
Professional services	-	14,376	-
Mileage	-	-	-
Total Assessor	<u>25,500</u>	<u>19,140</u>	<u>6,360</u>

Hamlin Township  
General Fund  
Statement of Expenditures and Other Financing Uses - Budget and Actual  
Year Ended March 31, 2006

	Budget as Amended	Actual	Variance Favorable (Unfavorable)
GENERAL GOVERNMENT (Continued)			
Clerk			
Salary	\$ -	\$ 18,500	\$ -
Deputy wages	-	1,816	-
Supplies	-	1,089	-
Professional services	-	-	-
Mileage	-	172	-
Total Clerk	<u>23,400</u>	<u>21,577</u>	<u>1,823</u>
Board of Review			
Wages	-	900	-
Printing & publishing	-	360	-
Seminars	-	180	-
Total Board of Review	<u>2,000</u>	<u>1,440</u>	<u>560</u>
Treasurer			
Salary	-	20,500	-
Deputy wages	-	4,831	-
Supplies	-	588	-
Professional services	-	-	-
Mileage	-	152	-
Total Treasurer	<u>27,050</u>	<u>26,071</u>	<u>979</u>
Townhall			
Maintenance manager wages	-	1,500	-
Supplies	-	249	-
Contract cleaning	-	930	-
Contract lawn care	-	1,980	-
Driveway expenses	-	690	-
Flags	-	270	-
Insurance	-	8,394	-
Electricity	-	1,575	-
Heat	-	1,259	-
Water conditioning	-	155	-
Telephone	-	1,597	-
Repair & maintenance	-	523	-
Trash removal	-	485	-
Total Townhall	<u>25,850</u>	<u>19,607</u>	<u>6,243</u>
TOTAL GENERAL GOVERNMENT	<u>146,550</u>	<u>126,611</u>	<u>19,939</u>

Hamlin Township  
General Fund  
Statement of Expenditures and Other Financing Uses - Budget and Actual  
Year Ended March 31, 2006

	Budget as Amended	Actual	Variance Favorable (Unfavorable)
PUBLIC SAFETY			
Fire Protection			
Wages	\$ -	\$ 58,181	\$ -
Social security & medicare	-	4,433	-
Office supplies	-	800	-
Supplies	-	17,808	-
Fuel	-	1,148	-
Physicals	-	246	-
Printing & publishing	-	54	-
Insurance	-	15,766	-
Electricity	-	1,575	-
Heat	-	1,274	-
Telephone	-	1,688	-
Repair & maintenance - building	-	4,792	-
Fleet repair & maintenance	-	7,326	-
Equipment repair & maintenance	-	4,518	-
Memberships & dues	-	365	-
Seminars	-	2,193	-
Public education	-	1,160	-
In-house training	-	687	-
Unclassified	-	6,996	-
TOTAL PUBLIC SAFETY	<u>227,500</u>	<u>131,010</u>	<u>96,490</u>
PUBLIC WORKS			
Drains at Large	-	12,494	-
Roads	-	-	-
TOTAL PUBLIC WORKS	<u>5,000</u>	<u>12,494</u>	<u>(7,494)</u>
CULTURE AND RECREATION			
Parks	<u>3,400</u>	<u>3,316</u>	<u>84</u>
OTHER			
Contingency	-	-	-
TOTAL OTHER	<u>34,000</u>	<u>-</u>	<u>34,000</u>
CAPITAL OUTLAY	<u>4,000</u>	<u>2,467</u>	<u>1,533</u>
DEBT SERVICE			
Principal	18,075	94,457	-
Interest	7,775	19,068	-
TOTAL DEBT SERVICE	<u>25,850</u>	<u>113,525</u>	<u>(87,675)</u>
TOTAL EXPENDITURES	446,300	389,423	56,877
OTHER FINANCING USES			
Transfers to other funds	<u>16,000</u>	<u>9,000</u>	<u>7,000</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 462,300</u>	<u>\$ 398,423</u>	<u>\$ 63,877</u>



Hamlin Township  
Cemetery Fund  
Statement of Revenues and Other Financing Sources, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Year Ended March 31, 2006

	Budget as Amended	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for Services:			
Lot sales	\$ -	\$ 3,900	\$ -
Burials	-	6,000	-
Total Charges for Services	<u>4,000</u>	<u>9,900</u>	<u>5,900</u>
Interest	<u>300</u>	<u>199</u>	<u>(101)</u>
Total Revenues	<u>4,300</u>	<u>10,099</u>	<u>5,799</u>
EXPENDITURES			
General Government			
Dirt and gravel	-	120	-
Grave openings	-	6,500	-
Lawn care	-	9,325	-
Driveway care	-	300	-
Flags	-	173	-
Electricity	-	94	-
Repair and maintenance	-	389	-
Other	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>20,325</u>	<u>16,901</u>	<u>3,424</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(16,025)</u>	<u>(6,802)</u>	<u>9,223</u>
OTHER FINANCING SOURCES			
Operating transfers in	<u>16,000</u>	<u>9,000</u>	<u>(7,000)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(25)	2,198	2,223
FUND BALANCE - April 1	<u>2,682</u>	<u>15,597</u>	<u>12,915</u>
FUND BALANCE - March 31	\$ <u><u>2,657</u></u>	\$ <u><u>17,795</u></u>	\$ <u><u>15,138</u></u>

Hamlin Township  
Statement of Changes in Assets and Liabilities  
All Agency Funds  
Year Ended March 31, 2006

Current Tax Collection Fund				
	Balance April 1, 2005	Additions	Deductions	Balance March 31, 2006
<b>Assets</b>				
Cash	\$ 4,545	\$ 2,334,419	\$ 2,334,691	\$ 4,273
<b>Liabilities</b>				
Due to other funds	\$ 4,545	\$ 171,097	\$ 171,404	\$ 4,238
Due to county	-	1,143,955	1,143,920	35
Due to schools	-	1,008,519	1,008,519	-
Refunds	-	10,848	10,848	-
Total liabilities	\$ 4,545	\$ 2,334,419	\$ 2,334,691	\$ 4,273